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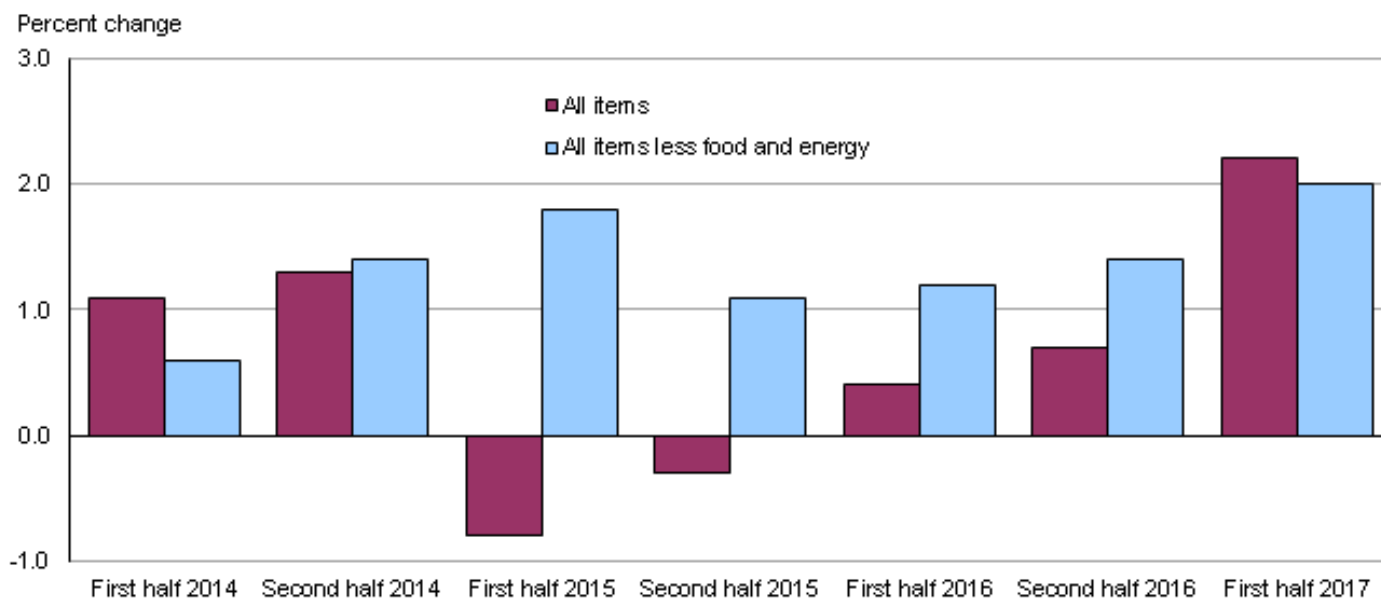
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Consumer Price Index, Milwaukee-Racine — Second Half 2016

Local prices up 0.7 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Milwaukee-Racine area rose 0.7 percent from the second half of 2015 to the second half of 2016, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Charlene Peiffer noted that the all items less food and energy index was 1.4 percent higher compared to its second half 2015 level as price increases were noted in the categories for shelter and medical care. Food prices rose 0.6 percent over the year while the index for energy decreased 5.4 percent. (See [chart 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Milwaukee, first half 2014–first half 2017



Source: U.S. Bureau of Labor Statistics.

Food

The 0.6-percent rise in food prices over the year was attributed to a 6.4-percent increase in costs for food eaten away from home (restaurant, cafeteria, and vending purchases). On the other hand, food at home (grocery) prices were down 2.9 percent. In the previous annual period (second half 2014 to second half 2015), food prices in the Milwaukee area rose 0.8 percent.

Energy

Gasoline prices were down 11.8 percent from their second half 2015 levels and electricity prices were 0.6 percent lower, contributing to the 5.4-percent drop in energy prices over the year. Costs for utility (piped) gas service, on the other hand, rose 5.5 percent compared to their second half 2015 levels. In the previous annual period, energy costs had fallen 14.5 percent.

All items less food and energy

The 1.4-percent over-the-year increase in the all items less food and energy index was primarily due to a 2.8 percent increase in shelter costs. Medical care (2.7 percent), apparel (2.8 percent), and household furnishings and operations (2.1 percent) also contributed to the rise in the aggregate all items less food and energy index.

The first half 2017 Consumer Price Index for Milwaukee-Racine is scheduled to be released Friday, July 14, 2017.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **Note: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The **Milwaukee-Racine, Wis.**, consolidated area covered in this release is comprised of Milwaukee, Ozaukee, Racine, Washington, and Waukesha Counties in Wisconsin.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods Milwaukee-Racine, WI (1982-84=100 unless otherwise noted)

Item and Group	Semiannual average indexes			Percent change to 2nd half 2016 from-	
	2nd half 2015	1st half 2016	2nd half 2016	2nd half 2015	1st half 2016
Expenditure category					
All Items.....	226.984	227.147	228.624	0.7	0.7
All items (1967=100)	701.066	701.568	706.129	-	-
Food and beverages	248.702	249.801	250.323	0.7	0.2
Food	252.964	253.851	254.429	0.6	0.2
Food at home	248.995	243.964	241.687	-2.9	-0.9
Food away from home.....	259.541	270.570	276.054	6.4	2.0
Alcoholic beverages	208.358	211.580	211.536	1.5	0.0
Housing	213.262	215.621	218.560	2.5	1.4
Shelter	260.716	263.454	267.956	2.8	1.7
Rent of primary residence(1).....	241.257	243.815	248.355	2.9	1.9
Owners' equiv. rent of residences(1)(2).....	278.025	280.692	285.330	2.6	1.7
Owners' equiv. rent of primary residence(1)(2)	278.025	280.692	285.330	2.6	1.7
Fuels and utilities.....	208.419	208.691	210.836	1.2	1.0
Household energy	169.387	169.269	171.326	1.1	1.2
Energy services(1)	174.593	174.696	176.627	1.2	1.1
Electricity(1).....	216.195	213.153	214.931	-0.6	0.8
Utility (piped) gas service(1).....	105.286	109.147	111.114	5.5	1.8
Household furnishings and operations.....	95.644	98.328	97.677	2.1	-0.7
Apparel	139.638	143.679	143.494	2.8	-0.1
Transportation	187.955	178.677	179.366	-4.6	0.4
Private transportation	180.048	170.303	171.670	-4.7	0.8
Motor fuel	225.426	186.601	198.775	-11.8	6.5
Gasoline (all types).....	222.241	184.274	196.116	-11.8	6.4
Gasoline, unleaded regular(3).....	219.801	180.211	193.095	-12.2	7.1
Gasoline, unleaded midgrade(3)(4).....	244.856	206.462	217.447	-11.2	5.3
Gasoline, unleaded premium(3).....	217.561	189.200	198.170	-8.9	4.7
Medical care.....	488.733	492.159	501.719	2.7	1.9
Recreation(5).....	118.172	119.058	118.098	-0.1	-0.8
Education and communication(5).....	152.723	152.158	149.991	-1.8	-1.4
Other goods and services	389.660	397.126	396.424	1.7	-0.2
Commodity and service group					
All Items.....	226.984	227.147	228.624	0.7	0.7
Commodities	177.558	175.980	176.466	-0.6	0.3
Commodities less food & beverages.....	145.558	142.995	143.453	-1.4	0.3
Nondurables less food & beverages	198.575	192.621	197.039	-0.8	2.3
Durables	97.689	98.030	95.803	-1.9	-2.3
Services.....	274.366	276.332	278.752	1.6	0.9
Special aggregate indexes					
All items less medical care	215.476	215.492	216.610	0.5	0.5
All items less shelter.....	216.676	215.906	216.266	-0.2	0.2
Commodities less food	147.960	145.594	146.038	-1.3	0.3
Nondurables	224.515	221.692	224.313	-0.1	1.2
Nondurables less food.....	199.070	193.787	197.877	-0.6	2.1
Services less rent of shelter(2).....	302.343	303.456	303.596	0.4	0.0
Services less medical care services.....	257.310	259.263	261.594	1.7	0.9
Energy	195.796	178.639	185.158	-5.4	3.6
All items less energy	232.358	234.259	235.264	1.3	0.4

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods Milwaukee-Racine, WI (1982-84=100 unless otherwise noted) - Continued

Item and Group	Semiannual average indexes			Percent change to 2nd half 2016 from-	
	2nd half 2015	1st half 2016	2nd half 2016	2nd half 2015	1st half 2016
All items less food and energy	229.819	231.893	232.968	1.4	0.5

Footnotes(1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

(2) Index is on a November 1982=100 base.

(3) Special index based on a substantially smaller sample.

(4) Indexes on a December 1993=100 base.

(5) Indexes on a December 1997=100 base.

- Data not available.

Note: Data not seasonally adjusted.